



**ROXAND  
TOWNSHIP**  
(EATON)  
**FINANCIAL  
STATEMENTS**  
23-1120  
**MARCH 31, 2004**

## AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

|   |                                 |   |                 |
|---|---------------------------------|---|-----------------|
| Local Government Type<br><input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other |                                 | Local Government Name<br>Roxand Township                        | County<br>Eaton |
| Audit Date<br>March 31, 2004  | Opinion Date<br>August 31, 2004 | Date Accountant Report Submitted to State:<br>September 7, 2004 |                 |

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan*, as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ yes ☐ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

### We have enclosed the following:

|   | Enclosed | To Be Forwarded | Not Required |
|---|----------|-----------------|--------------|
| The letter of comments and recommendations.                                   |          |                 | x            |
| Reports on individual federal financial assistance programs (program audits). |          |                 | x            |
| Single Audit Reports (ASLGU).   |          |                 | x            |

|  |                |             |              |
|--|----------------|-------------|--------------|
| Certified Public Accountant (Firm Name)<br>Karl L. Drake, PC |                |             |              |
| Street Address<br>3775 Kimmel Road                           | City<br>Horton | State<br>MI | ZIP<br>49246 |
| Accountant Signature<br><i>Karl L. Drake CPA</i>             |                |             |              |

# ROXAND TOWNSHIP

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**Karl L. Drake, P.C.**  
**Certified Public Accountant**

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**INDEPENDENT AUDITOR'S REPORT**

To the Township Board of  
Roxand Township  
Mulliken, Michigan

We have audited the accompanying general purpose financial statements of Roxand Township, as of and for the year ended March 31, 2004, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with United States generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above, present fairly, in all material respects, the financial position of Roxand Township as of March 31, 2004, and the results of its operations for the year then ended in conformity with United States generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2004, on our consideration of Roxand Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual account group financial statements are presented for purposes of additional analysis, and are not a required part of the general purpose financial statements of Roxand Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects, in relation to the general purpose financial statements taken as a whole.



Karl L. Drake, P.C.

August 31, 2004

# **ROXAND TOWNSHIP**

## **COMBINED BALANCE SHEET ALL FUND TYPES AND ACCOUNT GROUPS**

**MARCH 31, 2004**

|  | <u>GOVERNMENTAL<br/>TYPE FUND</u> | <u>FIDUCIARY FUND TYPES</u>    |                                   |
|--|-----------------------------------|--------------------------------|-----------------------------------|
|  | <u>GENERAL FUND</u>               | <u>CEMETERY<br/>TRUST FUND</u> | <u>CURRENT TAX<br/>COLLECTION</u> |
| <b>ASSETS</b>                            |                                   |                                |                                   |
| Cash                                     | \$ 447,995                        | \$ 1,000                       | \$ 396                            |
| Taxes Receivable                         | 9,320                             | ---                            | ---                               |
| Property, Plant and Equipment            | ---                               | ---                            | ---                               |
| Due From Other Funds                     | 396                               | ---                            | ---                               |
| Amount to be Provided                    | ---                               | ---                            | ---                               |
| <b>TOTAL ASSETS</b>                      | <u><b>\$ 457,711</b></u>          | <u><b>\$ 1,000</b></u>         | <u><b>\$ 396</b></u>              |
| <b>LIABILITIES AND FUND EQUITY</b>       |                                   |                                |                                   |
| <b>LIABILITIES</b>                       |                                   |                                |                                   |
| Payroll Taxes Payable                    | \$ 414                            | \$ ---                         | \$ ---                            |
| Due to Other Funds                       | ---                               | ---                            | 396                               |
| Notes Payable                            | ---                               | ---                            | ---                               |
| <b>TOTAL LIABILITIES</b>                 | <u>414</u>                        | <u>---</u>                     | <u>396</u>                        |
| <b>FUND EQUITY</b>                       |                                   |                                |                                   |
| Investment in General Fixed Assets       | ---                               | ---                            | ---                               |
| <b>FUND BALANCE</b>                      |                                   |                                |                                   |
| Reserved                                 | 218,266                           | 1,000                          | ---                               |
| Unreserved                               | 239,031                           | ---                            | ---                               |
| <b>TOTAL FUND BALANCE</b>                | <u>457,297</u>                    | <u>1,000</u>                   | <u>---</u>                        |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b> | <u><b>\$ 457,711</b></u>          | <u><b>\$ 1,000</b></u>         | <u><b>\$ 396</b></u>              |

See Accompanying Notes to Financial Statements.

| GENERAL<br>LONG-TERM<br>DEBT GROUP<br>OF ACCOUNTS | GENERAL<br>FIXED<br>ASSET GROUP<br>OF ACCOUNTS | TOTAL<br>(MEMORANDUM<br>ONLY) |
|---|--|-------------------------------|
| \$ ---  | \$ ---   | \$ 449,391                    |
| ---   | ---  | 9,320                         |
| ---   | 733,483  | 733,486                       |
| ---   | ---  | 396                           |
| ---   | ---  | ---                           |
| <u>\$ ---</u>                                     | <u>\$ 733,483</u>                              | <u>\$ 1,192,590</u>           |

|               |                   |                     |
|---------------|-------------------|---------------------|
| \$ ---        | \$ ---            | \$ 414              |
| ---           | ---               | 396                 |
| ---           | ---               | ---                 |
| ---           | ---               | 810                 |
| ---           | 733,483           | 733,483             |
| ---           | ---               | 219,266             |
| ---           | ---               | 239,031             |
| ---           | ---               | 458,297             |
| <u>\$ ---</u> | <u>\$ 733,483</u> | <u>\$ 1,192,590</u> |

# **ROXAND TOWNSHIP**

## **COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE ALL GOVERNMENTAL TYPE FUNDS**

**YEAR ENDED MARCH 31, 2004**

|   | <b>GENERAL<br/>FUND</b> | <b>TOTAL<br/>(MEMORANDUM<br/>ONLY)</b> |
|---|-------------------------|--|
| <b>REVENUE</b>  |                         |  |
| Taxes   | \$ 138,869              | \$ 138,869                             |
| State Revenue   | 102,403                 | 102,403                                |
| Charges for Services  | 8,574                   | 8,574                                  |
| Interest  | 7,134                   | 7,134                                  |
| Other   | 34,199                  | 34,199                                 |
| <b>TOTAL REVENUE</b>  | <b>291,179</b>          | <b>291,179</b>                         |
| <b>EXPENDITURES</b>   |                         |  |
| General Government  | 90,340                  | 90,340                                 |
| Public Safety   | 79,185                  | 79,185                                 |
| Public Works  | 71,930                  | 71,930                                 |
| Debt Service  | ---                     | ---                                    |
| Capital Outlay  | 176,801                 | 176,801                                |
| <b>TOTAL EXPENDITURES</b>   | <b>418,256</b>          | <b>418,256</b>                         |
| <b>EXCESS OF REVENUE OVER &lt;UNDER&gt; EXPENDITURES</b>  | <b>-127,077</b>         | <b>-127,077</b>                        |
| <b>OTHER FINANCING SOURCES</b>  |                         |  |
| Operating Transfer In   | 27                      | 27                                     |
| <b>EXCESS OF REVENUE AND OTHER FINANCING<br/>SOURCES OVER &lt;UNDER&gt; EXPENDITURES AND<br/>OTHER FINANCING USES</b> | <b>-127,050</b>         | <b>-127,050</b>                        |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>   | <b>584,347</b>          | <b>584,347</b>                         |
| <b>FUND BALANCE - END OF YEAR</b>   | <b>\$ 457,297</b>       | <b>\$ 457,297</b>                      |

See Accompanying Notes to Financial Statements.

**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**GENERAL FUND**

**YEAR ENDED MARCH 31, 2004**

|   | GENERAL FUND      |                   |                            |
|---|-------------------|-------------------|----------------------------|
|   | BUDGET            | ACTUAL            | FAVORABLE<br><UNFAVORABLE> |
| <b>REVENUE</b>  |                   |                   |                            |
| Taxes   | \$ 126,965        | \$ 138,869        | \$ 11,904                  |
| State Revenue   | 96,000            | 102,403           | 6,403                      |
| Charges for Services  | 6,100             | 8,574             | 2,474                      |
| Interest  | 1,790             | 7,134             | 5,344                      |
| Other   | 21,790            | 34,199            | 12,409                     |
| <b>TOTAL REVENUE</b>  | <b>252,645</b>    | <b>291,179</b>    | <b>38,534</b>              |
| <b>EXPENDITURES</b>   |                   |                   |                            |
| General Government  | 108,344           | 90,340            | 18,004                     |
| Public Safety   | 71,581            | 79,185            | -7,604                     |
| Public Works  | 96,744            | 71,930            | 24,814                     |
| Debt Service  | ---               | ---               | ---                        |
| Capital Outlay  | 25,951            | 176,801           | -150,850                   |
| <b>TOTAL EXPENDITURES</b>   | <b>302,620</b>    | <b>418,256</b>    | <b>-115,636</b>            |
| <b>EXCESS OF REVENUE OVER&lt;UNDER&gt;<br/>EXPENDITURES</b>   | <b>-49,975</b>    | <b>-127,077</b>   | <b>-77,102</b>             |
| <b>OTHER FINANCING SOURCES</b>  |                   |                   |                            |
| Operating Transfers In  | ---               | 27                | 27                         |
| <b>EXCESS OF REVENUE AND OTHER FINANCING<br/>SOURCES OVER &lt;UNDER&gt; EXPENDITURES<br/>AND OTHER FINANCING USES</b> | <b>-49,975</b>    | <b>-127,050</b>   | <b>-77,075</b>             |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>   | <b>584,347</b>    | <b>584,347</b>    | <b>---</b>                 |
| <b>FUND BALANCE - END OF YEAR</b>   | <b>\$ 534,372</b> | <b>\$ 457,297</b> | <b>\$ -77,075</b>          |

See Accompanying Notes to Financial Statements.



## NOTES TO FINANCIAL STATEMENTS

### 1. DESCRIPTION OF TOWNSHIP OPERATIONS

The Township covers an area of approximately 36 square miles with the Township Hall located in Mulliken, Michigan, County of Eaton. The Township operates under an elected Board of Trustees (5 members) and provides services to its 1,346 residents in many areas including community enrichment and development and human services.

As defined by Governmental Accounting Standards Board (GASB) No. 14, the financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The primary government has financial accountability if it:

1. appoints a voting majority of the organization's board, and has the ability to impose its will on the organization; or
2. there is a potential for the component unit to provide certain financial benefits to, or impose certain financial burdens on, the primary government.

Based on the above criteria, no additional organizations or entities are included in these financial statements.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PRESENTATION

The financial activities of the local unit are recorded in separate funds and account groups, categorized and described as follows:

#### General Fund

This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenue are derived primarily from property taxes, state and federal distributions, grants, and other intergovernmental revenue.

#### Fiduciary Funds

These funds, used to account for assets held in trust or as an agent for others, include the Cemetery Trust Fund and Tax Collection Fund.

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## FIXED ASSETS AND LONG TERM DEBT

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus.

This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term debts expected to be financed from the government funds are accounted for in the General Long-Term Debt Account Group, not in the Governmental funds.

The two account groups are not "funds". They are concerned only with measurement of results or operations.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenue represented by non-current receivables is deferred until they become current receivables. Non-current portions of long-term loans receivable are offset by fund balance reserve accounts.

**NOTES TO FINANCIAL STATEMENTS****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****FIXED ASSETS AND LONG-TERM DEBT (CONTINUED)**

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

A summary of Changes in General Fixed Assets follows:

|                           | Balance<br>03/31/03 | Additions         | Deletions        | Balance<br>03/31/04 |
|---------------------------|---------------------|-------------------|------------------|---------------------|
| Land, Buildings and Fence | \$ 106,770          | \$ ---            | \$ ---           | \$ 106,770          |
| Machinery and Equipment   | 463,496             | 176,801           | 13,584           | 626,713             |
|                           | <u>\$ 570,266</u>   | <u>\$ 176,801</u> | <u>\$ 13,584</u> | <u>\$ 733,483</u>   |

**BASIS OF ACCOUNTING**

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenue are recognized when they become measurable and available as net current assets. Taxpayer-assessed income gross receipts and sales taxes are considered "measurable" when in the hands of the intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seem certain.

Expenditures are generally accepted under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include; (1) accumulated unpaid vacation and sick pay and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

The financial statements of fiduciary funds are maintained on the cash basis. Reporting these funds on the cash basis does not have an effect materially different from reporting them on the accrual or modified accrual basis, as required by generally accepted accounting principles.

## BUDGET AND BUDGETARY ACCOUNTING

Formal budgetary integration is employed as a management control device during the year for the General Fund. The budget for this fund is adopted on a basis consistent with United States generally accepted accounting principles (GAAP).

## PROPERTY TAXES

Real and personal property taxes are assessed as of December 31, and attach as an enforceable lien on property as of December 1 of the subsequent year. Taxes are due and payable as of February 14, with the final collection date of February 28 of the subsequent year. The property tax revenue in the accompanying financial statements were recognized as those levied during the year.

All unpaid taxes become delinquent after February 28, at which time the uncollected real taxes are returned to Eaton County for collection and to be added to the delinquent tax rolls.

The Township is authorized to assess 1 mill for general operations and 2.5 mills for fire purposes. Millage rates levied for 2003 were .8810 mills for operations and 2.5 mills for fire. Total taxable value for real and personal property in the Township was \$41,803,100.

## FUND BALANCE

Reserves or designations indicate amounts to be carried over to future periods that are set aside for a specific purpose.

The Cemetery Trust Fund has a balance of \$1,000. General Fund reserves at March 31, 2004, consisted of the following:

|          |                   |
|----------|-------------------|
| Fire     | \$ 143,641        |
| Cemetery | 4,585             |
| Roads    | <u>70,040</u>     |
|          | <u>\$ 218,266</u> |

## 3. FUND DEFICITS

At March 31, 2004, there were no fund deficits.

# **ROXAND TOWNSHIP**

## **NOTES TO FINANCIAL STATEMENTS**

### **4. CASH AND CERTIFICATES OF DEPOSIT**

Deposits are carried at cost. Deposits of the Township are at two banks in the name of Township of Roxand. Act 217, Public Acts of 1982, authorizes the Township to deposit and invest in the accounts of Federally insured banks, insured credit unions and savings and loan associations; bonds and other direct obligations of the United States, or an agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; banker's acceptance of United States banks; commercial paper rated within two highest classifications by not less than two standard rating services, which mature not more than 270 days after the date of purchase, and which involves no more than 50 percent of any one fund; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Michigan law prohibits security in the form of collateral, surety bond, or other forms for the deposit of public money. An Attorney General's Opinion states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Balance Sheet caption, "Cash" includes imprest cash, demand accounts and certificates of deposit.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's cash deposits are as follows:

| <u>Deposits</u>                | <u>Bank<br/>Carrying<br/>Amount</u> | <u>Book<br/>Value</u> |
|--------------------------------|-------------------------------------|-----------------------|
| Insured (FDIC)                 | \$ 200,000                          | \$ 200,000            |
| Uncollateralized and Uninsured | 259,505                             | 249,391               |
| Total Deposits                 | <u>\$ 459,505</u>                   | <u>\$ 449,391</u>     |

Differences between bank carrying amount and book value are caused by deposits in transit and outstanding checks.

### **5. SINGLE AUDIT**

No single audit is required for the year ending March 31, 2004.

## 6. BUDGETS

PA 621 of 1978, Sect. 186(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated. In the body of the financial statements, the Township's actual expenditures for the budgetary funds have been shown on an activity basis. The approved budgets of the Township for these budgetary funds are adopted at the activity level.

During the year ended March 31, 2004, the Township incurred the following expenditures in budgetary funds which were in excess of the amounts appropriated:

|                | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|----------------|---------------|---------------|-----------------|
| GENERAL FUND   |               |               |                 |
| Public Safety  | \$ 71,581     | \$ 79,185     | \$ 7,604        |
| Capital Outlay | 25,951        | 176,801       | 150,850         |

## 7. LONG-TERM DEBT

At March 31, 2004, the Township had no long-term debt.

## 8. ACCUMULATED SICK AND VACATION PAY

Amounts accumulated for accrued sick and vacation pay are immaterial and have not been entered in the accounting records.

## 9. RISK MANAGEMENT AND LITIGATION

The Township is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years the Township has obtained coverage from commercial insurance companies and has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. At March 31, 2004, no claims exist, and no provision has been entered into the accounting records.

**NOTES TO FINANCIAL STATEMENTS**

**10. PENSION PLAN**

At March 31, 2004, the Township did not participate in any retirement plan for its employees.

**11. ESTIMATES**

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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## **SUPPLEMENTARY INFORMATION**



**ROXAND TOWNSHIP**

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**GENERAL FUND  
COMPARATIVE BALANCE SHEET**

**MARCH 31, 2004 AND 2003**

|  | <u>2004</u>              | <u>2003</u>              |
|--|--------------------------|--------------------------|
| <b>ASSETS</b>                            |                          |                          |
| Cash                                     | \$ 447,995               | \$ 577,046               |
| Taxes Receivable                         | 9,320                    | 7,646                    |
| Due from Other Funds                     | <u>396</u>               | <u>35</u>                |
| <b>TOTAL ASSETS</b>                      | <u><b>\$ 457,711</b></u> | <u><b>\$ 584,727</b></u> |
| <br><b>LIABILITIES AND FUND EQUITY</b>   |                          |                          |
| <b>LIABILITIES</b>                       |                          |                          |
| Payroll Taxes Payable                    | \$ 414                   | \$ 380                   |
| <b>FUND EQUITY</b>                       | <u>457,297</u>           | <u>584,347</u>           |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b> | <u><b>\$ 457,711</b></u> | <u><b>\$ 584,727</b></u> |

# **ROXAND TOWNSHIP**

## **GENERAL FUND COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**

**YEARS ENDED MARCH 31, 2004 AND 2003**

|                                 | <u>2004</u>           | <u>2003</u>           |
|---------------------------------|-----------------------|-----------------------|
| <b>REVENUE</b>                  |                       |                       |
| Taxes                           | \$ 138,869            | \$ 157,905            |
| State Revenue                   | 102,403               | 107,841               |
| Charges for Services            | 8,574                 | 9,435                 |
| Interest                        | 7,134                 | 9,831                 |
| Other                           | <u>34,199</u>         | <u>36,482</u>         |
| <b>TOTAL REVENUE</b>            | <b><u>291,179</u></b> | <b><u>321,494</u></b> |
| <b>EXPENDITURES</b>             |                       |                       |
| <b>GENERAL GOVERNMENT</b>       |                       |                       |
| Salaries and Wages              | 36,707                | 38,230                |
| Payroll Taxes                   | 12,981                | 2,735                 |
| Repairs and Maintenance         | 413                   | 714                   |
| Office Supplies and Expense     | 4,501                 | 4,831                 |
| Elections                       | ---                   | 1,939                 |
| Utilities                       | 2,584                 | 2,590                 |
| Library                         | 7,980                 | 7,545                 |
| Insurance                       | 7,520                 | 6,685                 |
| Auditor                         | 2,600                 | 2,500                 |
| Assessor                        | 10,234                | 9,969                 |
| Ambulance                       | 2,785                 | ---                   |
| Telephone                       | 1,187                 | 1,162                 |
| Training                        | 531                   | 1,303                 |
| Miscellaneous                   | <u>317</u>            | <u>2,684</u>          |
| <b>TOTAL GENERAL GOVERNMENT</b> | <b><u>90,340</u></b>  | <b><u>82,887</u></b>  |
| <b>PUBLIC SAFETY - FIRE</b>     |                       |                       |
| Salaries and Wages              | 20,900                | 17,391                |
| Payroll Taxes                   | 1,599                 | 1,330                 |
| Office                          | 7,247                 | 2,748                 |
| Telephone                       | 677                   | 632                   |
| Utilities                       | 4,478                 | 3,857                 |
| Repairs and Maintenance         | 16,437                | 52,575                |
| Insurance                       | 18,537                | 15,514                |
| Gas                             | 6,340                 | 4,560                 |
| Training                        | 2,597                 | 593                   |
| Miscellaneous                   | <u>373</u>            | <u>1,358</u>          |
| <b>TOTAL PUBLIC SAFETY</b>      | <b><u>79,185</u></b>  | <b><u>100,558</u></b> |

|  | 2004              | 2003              |
|--|-------------------|-------------------|
| <b>PUBLIC WORKS</b>  |                   |                   |
| Cemetery   |                   |                   |
| Salaries and Wages   | \$ 11,120         | \$ 11,434         |
| Payroll Taxes  | 851               | 875               |
| Office Supplies  | 150               | 220               |
| Insurance  | 1,280             | 1,422             |
| Repairs and Maintenance  | 11,302            | 4,685             |
| Utilities  | 849               | 1,035             |
| Openings   | 2,350             | 1,800             |
| Equipment Rental   | 5,700             | ---               |
| Miscellaneous  | 5                 | 150               |
| Total Cemetery   | <u>33,607</u>     | <u>21,621</u>     |
| Roads  | <u>38,323</u>     | <u>20,365</u>     |
| <b>TOTAL PUBLIC WORKS</b>  | <u>71,930</u>     | <u>41,986</u>     |
| <b>DEBT SERVICE</b>  | <u>---</u>        | <u>---</u>        |
| <b>CAPITAL OUTLAY</b>  | <u>176,801</u>    | <u>15,273</u>     |
| <b>TOTAL EXPENDITURES</b>  | <u>418,256</u>    | <u>240,704</u>    |
| <b>EXCESS OF REVENUE OVER &lt;UNDER&gt; EXPENDITURES</b>                                 | -127,077          | 80,790            |
| <b>OTHER FINANCING SOURCES</b>   |                   |                   |
| Operating Transfer In  | <u>27</u>         | <u>31</u>         |
| <b>EXCESS OF REVENUE AND OTHER<br/>FINANCING SOURCES OVER &lt;UNDER&gt; EXPENDITURES</b> | -127,050          | 80,821            |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>  | <u>584,347</u>    | <u>503,526</u>    |
| <b>FUND BALANCE - END OF YEAR</b>  | <u>\$ 457,297</u> | <u>\$ 584,347</u> |

# **ROXAND TOWNSHIP**

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## **GENERAL FUND COMBINING BALANCE SHEET**

**MARCH 31, 2004**

|  | <u>General</u>           | <u>Cemetery</u>        | <u>Fire</u>              | <u>Road</u>             | <u>Total</u>             |
|--|--------------------------|------------------------|--------------------------|-------------------------|--------------------------|
| <b>ASSETS</b>                                |                          |                        |                          |                         |                          |
| Cash   | \$ 239,049               | \$ 4,585               | \$ 136,734               | \$ 67,627               | \$ 447,995               |
| Taxes Receivable                             | ---                      | ---                    | 6,907                    | 2,413                   | 9,320                    |
| Due from Other Funds                         | 396                      | ---                    | ---                      | ---                     | 396                      |
| <b>TOTAL ASSETS</b>                          | <u><b>\$ 239,445</b></u> | <u><b>\$ 4,585</b></u> | <u><b>\$ 143,641</b></u> | <u><b>\$ 70,040</b></u> | <u><b>\$ 457,711</b></u> |
| <br><b>LIABILITIES AND FUND EQUITY</b>       |                          |                        |                          |                         |                          |
| <b>LIABILITIES</b>                           |                          |                        |                          |                         |                          |
| Payroll Taxes Payable                        | \$ 414                   | \$ ---                 | \$ ---                   | \$ ---                  | \$ 414                   |
| <b>FUND EQUITY</b>                           | <u>239,031</u>           | <u>4,585</u>           | <u>143,641</u>           | <u>70,040</u>           | <u>457,297</u>           |
| <b>TOTAL LIABILITIES AND<br/>FUND EQUITY</b> | <u><b>\$ 239,445</b></u> | <u><b>\$ 4,585</b></u> | <u><b>\$ 143,641</b></u> | <u><b>\$ 70,040</b></u> | <u><b>\$ 457,711</b></u> |

**GENERAL FUND**  
**COMBINING STATEMENT OF REVENUE AND TRANSFERS, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**

**YEAR ENDED MARCH 31, 2004**

|  | General           | Cemetery        | Fire              | Roads            | Total             |
|--|-------------------|-----------------|-------------------|------------------|-------------------|
| <b>REVENUE</b>   |                   |                 |                   |                  |                   |
| Taxes  | \$ ---            | \$ ---          | \$ 102,202        | \$ 36,667        | \$ 138,869        |
| State Revenue  | 99,406            | ---             | 2,997             | ---              | 102,403           |
| Charges for Services   | 780               | 7,794           | ---               | ---              | 8,574             |
| Interest   | 5,022             | ---             | 1,606             | 506              | 7,134             |
| Other  | 9,947             | 23,065          | 1,187             | ---              | 34,199            |
| <b>TOTAL REVENUE</b>   | 115,155           | 30,859          | 107,992           | 37,173           | 291,179           |
| TRANSFERS IN <OUT>   | -67,757           | 17,099          | 50,696            | -11              | 27                |
| <b>TOTAL REVENUE/TRANSFERS</b>   | 47,398            | 47,958          | 158,688           | 37,162           | 291,206           |
| <b>EXPENDITURES</b>  |                   |                 |                   |                  |                   |
| Salaries and Wages   | 36,707            | 11,120          | 20,900            | ---              | 68,727            |
| Payroll Taxes  | 12,981            | 851             | 1,599             | ---              | 15,431            |
| Office Supplies  | 4,501             | 150             | 7,247             | ---              | 11,898            |
| Elections  | ---               | ---             | ---               | ---              | ---               |
| Library  | 7,980             | ---             | ---               | ---              | 7,980             |
| Insurance  | 7,520             | 1,280           | 18,537            | ---              | 27,337            |
| Auditor  | 2,600             | ---             | ---               | ---              | 2,600             |
| Assessor   | 10,234            | ---             | ---               | ---              | 10,234            |
| Drains at Large  | ---               | ---             | ---               | 1,469            | 1,469             |
| Repairs and Maintenance  | 413               | 11,302          | 16,437            | ---              | 28,152            |
| Utilities  | 2,584             | 849             | 4,478             | ---              | 7,911             |
| Telephone  | 1,187             | ---             | 677               | ---              | 1,864             |
| Ambulance  | 2,785             | ---             | ---               | ---              | 2,785             |
| Openings   | ---               | 2,350           | ---               | ---              | 2,350             |
| Road Expenses  | ---               | ---             | ---               | 36,784           | 36,784            |
| Training   | 531               | ---             | 2,597             | ---              | 3,128             |
| Gas  | ---               | ---             | 6,340             | ---              | 6,340             |
| Equipment Rental   | ---               | 5,700           | ---               | ---              | 5,700             |
| Miscellaneous  | 317               | 5               | 373               | 70               | 765               |
| Capital Outlay   | ---               | 17,536          | 159,265           | ---              | 176,801           |
| <b>TOTAL EXPENDITURES</b>  | 90,340            | 51,143          | 238,450           | 38,323           | 418,256           |
| <b>EXCESS OF REVENUE AND TRANSFERS<br/>OVER &lt;UNDER&gt; EXPENDITURES</b> | -42,942           | -3,185          | -79,762           | -1,161           | -127,050          |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>                                    | 281,973           | 7,770           | 223,403           | 71,201           | 584,347           |
| <b>FUND BALANCE - END OF YEAR</b>  | <u>\$ 239,031</u> | <u>\$ 4,585</u> | <u>\$ 143,641</u> | <u>\$ 70,040</u> | <u>\$ 457,297</u> |

# **ROXAND TOWNSHIP**

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## **CEMETERY TRUST FUND COMPARATIVE BALANCE SHEET**

**MARCH 31, 2004 AND 2003**

|                    | <u>2004</u>     | <u>2003</u>     |
|--------------------|-----------------|-----------------|
| <b>ASSETS</b>      |                 |                 |
| Cash               | <u>\$ 1,000</u> | <u>\$ 1,000</u> |
| <b>FUND EQUITY</b> |                 |                 |
| Fund Balance       | <u>\$ 1,000</u> | <u>\$ 1,000</u> |

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## **CEMETERY TRUST FUND COMPARATIVE STATEMENT OF REVENUE, TRANSFERS AND CHANGES IN FUND BALANCE**

**YEAR ENDED MARCH 31, 2004 AND 2003**

|   | <u>2004</u>     | <u>2003</u>     |
|---|-----------------|-----------------|
| <b>REVENUE</b>                              |                 |                 |
| Interest                                    | \$ 27           | \$ 31           |
| <b>TRANSFERS OUT</b>                        | <u>27</u>       | <u>31</u>       |
| <b>EXCESS OF REVENUE OVER TRANSFERS OUT</b> | ---             | ---             |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>     | <u>1,000</u>    | <u>1,000</u>    |
| <b>FUND BALANCE - END OF YEAR</b>           | <u>\$ 1,000</u> | <u>\$ 1,000</u> |

**CURRENT TAX COLLECTION FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**MARCH 31, 2004**

|                          | 03-31-03       |                     |                     | 03-31-04       |
|--------------------------|----------------|---------------------|---------------------|----------------|
|                          | <u>BALANCE</u> | <u>ADDITIONS</u>    | <u>REDUCTIONS</u>   | <u>BALANCE</u> |
| <b>ASSETS</b>            |                |                     |                     |                |
| Cash                     | \$ 35          | \$ 1,190,408        | \$ 1,190,047        | \$ 396         |
| <b>LIABILITIES</b>       |                |                     |                     |                |
| Due/Library              | \$ ---         | \$ 34,254           | \$ 34,254           | \$ ---         |
| Due/General Fund         | 35             | 143,200             | 142,839             | 396            |
| Due/Co. of Eaton         | ---            | 495,997             | 495,997             | ---            |
| Due/Schools              | ---            | 516,839             | 516,839             | ---            |
| Due/Taxpayers            | ---            | 118                 | 118                 | ---            |
| <b>TOTAL LIABILITIES</b> | <b>\$ 35</b>   | <b>\$ 1,190,408</b> | <b>\$ 1,190,047</b> | <b>\$ 396</b>  |

**CURRENT TAX COLLECTION FUND  
STATEMENT OF RECEIPTS AND DISBURSEMENTS**

**YEAR ENDED MARCH 31, 2004**

**RECEIPTS** \$ 1,190,408

**DISBURSEMENTS**

|                                   |               |                            |
|-----------------------------------|---------------|----------------------------|
| Grand Ledge Public Schools        | \$ 151,717    |                            |
| Lakewood Public Schools           | 78,039        |                            |
| Charlotte Public Schools          | 42,855        |                            |
| Eaton County Intermediate School  | 108,530       |                            |
| Ionia County Intermediate School  | 52,049        |                            |
| Lansing Community College         | <u>83,649</u> | 516,839                    |
| Taxpayer Refunds and Bank Charges |               | 118                        |
| County of Eaton                   |               | 495,997                    |
| Township of Roxand                |               | 142,839                    |
| Library                           |               | <u>34,254</u>              |
| <b>TOTAL DISBURSEMENTS</b>        |               | <u><u>\$ 1,190,047</u></u> |



# ROXAND TOWNSHIP

## GENERAL FIXED ASSET GROUP OF ACCOUNTS

MARCH 31, 2004

|                             | <u>03-31-03</u>   | <u>ADDITIONS</u>  | <u>DELETIONS</u> | <u>03-31-04</u>   |
|-----------------------------|-------------------|-------------------|------------------|-------------------|
| <b>GENERAL FIXED ASSETS</b> |                   |                   |                  |                   |
| CEMETERY                    |                   |                   |                  |                   |
| Land                        | \$ 5,000          | \$ ---            | \$ ---           | \$ 5,000          |
| Buildings                   | 8,978             | ---               | ---              | 8,978             |
| Fence                       | 511               | ---               | ---              | 511               |
| Mowers                      | 13,584            | 17,536            | 13,584           | 17,536            |
| Trimmers                    | 665               | ---               | ---              | 665               |
| Frost Remover               | 450               | ---               | ---              | 450               |
| Dump Cart                   | 300               | ---               | ---              | 300               |
| Snow Blower                 | 2,500             | ---               | ---              | 2,500             |
| FIRE                        |                   |                   |                  |                   |
| 2003 Tanker Truck           | ---               | 153,270           | ---              | 153,270           |
| 1997 Fire Truck             | 210,008           | ---               | ---              | 210,008           |
| Building/Furnace            | 30,067            | ---               | ---              | 30,067            |
| Fire Trucks (2)             | 59,863            | ---               | ---              | 59,863            |
| First Responder Vehicle     | 16,700            | ---               | ---              | 16,700            |
| Smoke Fan                   | 336               | ---               | ---              | 336               |
| 1976 Ford Truck and Tank    | 26,381            | ---               | ---              | 26,381            |
| Air Paks, Helmets/Other     | 42,500            | ---               | ---              | 42,500            |
| Fire Truck/ Pump and Tanker | 26,872            | ---               | ---              | 26,872            |
| Berkley Pump                | 2,092             | ---               | ---              | 2,092             |
| Dispatch System             | 21,585            | ---               | ---              | 21,585            |
| Optec                       | 8,330             | ---               | ---              | 8,330             |
| Furniture                   | 1,532             | ---               | ---              | 1,532             |
| Appliances                  | 1,438             | ---               | ---              | 1,438             |
| Generator                   | ---               | 5,995             | ---              | 5,995             |
| GENERAL                     |                   |                   |                  |                   |
| Adding Machine              | 120               | ---               | ---              | 120               |
| Appliances                  | 832               | ---               | ---              | 832               |
| Building                    | 49,434            | ---               | ---              | 49,434            |
| Typewriter                  | 250               | ---               | ---              | 250               |
| Tables/Chairs               | 1,881             | ---               | ---              | 1,881             |
| Office Furnishings          | 9,179             | ---               | ---              | 9,179             |
| Computers and Software      | 14,061            | ---               | ---              | 14,061            |
| Copy Machine                | 2,037             | ---               | ---              | 2,037             |
| Well                        | 12,780            | ---               | ---              | 12,780            |
|                             | <u>\$ 570,266</u> | <u>\$ 176,801</u> | <u>\$ 13,584</u> | <u>\$ 733,483</u> |

**Karl L. Drake, P.C.**  
Certified Public Accountant

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS***

To the Township Board of  
Roxand Township

We have audited the general purpose financial statements of Roxand Township as of and for the year ended March 31, 2004, and have issued our report thereon dated August 31, 2004. We conducted our audit in accordance with United States generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General on the United States.

Compliance

As part of obtaining reasonable assurance about whether Roxand Township's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion of compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances on noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Roxand Township's control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. This report is intended for the information of management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

